

The Agency estimates that adoption of an 18 month examination schedule for many of our institutions, in lieu of the current 12 month examination schedule, could save as much as \$2 million annually. This change would further streamline RCA without compromising the safety and soundness of the institutions it regulates.

If the statutory requirement for establishment of an independent FCSIC Board is repealed, as proposed by H.R. 2029, additional costs can be avoided. The implementation of an independent, full time three member Board of Directors would increase FCSIC administrative costs by approximately \$2.0 million annually. Under H.R. 2029, FCSIC would continue to benefit from access to FCA professional and administrative resources under the same operating procedures that have been in place since 1990.

Were H.R. 2029 enacted with the extended examination schedule and the repeal of an independent FCSIC Board, a cost savings of \$18 to \$20 million could be realized over the next five years.

Should you have additional questions regarding H.R. 2029, please let me know.

Sincerely,

MARSHA MARTIN,

Chairman.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DE LA GARZA asked was given permission to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I rise in support of H.R. 2029, and a statement on behalf of the gentleman from South Dakota [Mr. JOHNSON] will be submitted to appear at the appropriate place in the RECORD.

Mr. Speaker, I thank the chairman for moving this bill through the Committee on Agriculture in an expeditious manner, and I also would like to commend the subcommittee chairman, the gentleman from Colorado [Mr. ALLARD], and the ranking member, the gentleman from South Dakota [Mr. JOHNSON], for their hard work in guiding the regulatory relief through their subcommittee.

Mr. Speaker I rise today in support of H.R. 2029. I would like to thank Chairman ROBERTS for moving this bill through the Committee on Agriculture in an expeditious manner. I would also like to commend Subcommittee Chairman ALLARD and the ranking member, Mr. JOHNSON, for their hard work in guiding the regulatory relief bill through their subcommittee.

The bill before the House today reflects the hard work of Members from both sides of the aisle. It is the product of a careful review of current regulations, and it targets those regulations that have become outdated. For example, the legislation removes an outdated certification procedure for certain Banks for Cooperatives lending activities, without changing eligibility requirements in current law.

Other changes will give the system more flexibility, and provide farmers and ranchers with better loan rates. Section 4 will give the Farm Credit Administration more flexibility in carrying out its examinations of Farm Credit System institutions. Section 5 of the bill authorizes the Insurance Corporation to reduce premiums it receives from System banks and to distribute to System Institutions amounts in the insurance fund [Fund] that are in excess of the secure base amount. Section 10 author-

izes associations to jointly form administrative service entities, which will reduce operating expenses.

These changes will result in lower costs to the System and lower interest rates for farmers, ranchers, and rural homeowners. I urge my colleagues to join me in support of the bill, H.R. 2029, as amended, and I look forward to continuing work with Chairman ROBERTS toward enactment of this legislation.

Mr. JOHNSON of South Dakota. Mr. Speaker, I rise today in support of H.R. 2029, the Farm Credit System Regulatory Relief Act of 1995. I was pleased to have joined Chairman ALLARD in the introduction of H.R. 2029 and to have worked with both he and Chairman ROBERTS to bring the bill to the floor. This legislation would provide flexibility to the regulator of the Farm Credit System banks and institutions as well as removing some of the rigidity of the Farm Credit Act, which governs the activities of the System.

I am hopeful that our efforts will provide the Farm Credit System with the ability to reduce their internal paperwork and bureaucracy, and in turn, pass that reduction in costs on to their farm and ranch borrowers. As one of the few members of the Agriculture Committee who was here in 1987, when we faced a crisis in agricultural credit, I am confident that we have adequate protection and tools in place to ensure that the Farm Credit System will be able to weather any downswings in the agriculture sector.

I supported the regulatory relief legislation for the commercial banking sector that moved through Congress in the last session and hopefully additional legislation that will move yet this year, and I am pleased to have been involved in this similar effort for the Farm Credit System. I want to assure my colleagues that this bill is not about expanded authorities or other contentious issues, but about cutting down on unnecessary redtape and ensuring balanced competitiveness of the Farm Credit System institutions with commercial banks.

Included in the bill during full committee consideration were several provisions which should be of interest to our colleagues, including the specific inclusion of Farmer Mac in the section precluding the granting of golden parachutes to institutions considered to be troubled. I'm also pleased that Chairmen ROBERTS and ALLARD included an extension of the authority for the interest rate assistance program, so that commercial banks and farm credit institutions will have an assurance that the program will be available this spring to help farm and ranch borrowers receive guaranteed loans. It is also my hope that we will have reached a compromise on the issue of Financial Assistance Corporation stock purchase that will put the issue to rest.

As the result of a request during the Resource Conservation Subcommittee hearing held on H.R. 2029, we heard from the Farm Credit Administration in regard to additional technical changes they would like to have changed in their statute. It is my hope that we can address these provisions during consideration of the credit title in the farm bill in the coming year.

Thank you, Mr. Speaker, and I urge my colleagues to support this legislation for the benefit of their farm and ranch constituents.

Mr. HEINEMAN. Mr. Speaker, I rise today in support of H.R. 2029, the Farm Credit System Regulatory Relief Act of 1995. H.R. 2029

eases unnecessary regulatory requirements on the Farm Credit System. These burdensome regulatory costs have increased the amount that farmers pay for credit.

Currently, regulators are required to review lenders yearly. Yearly review is overly burdensome and costly on the Farm Credit System. Those higher costs are then passed on to our Nation's farmers. H.R. 2029 would allow regulators to review lenders every 18 months and reduces a number of other regulatory burdens on the Farm Credit System that have become outdated.

This legislation will give the Farm Credit System and farmers some much needed relief. The Farm Credit Administration has estimated that this legislation will save an estimated \$18 million to \$20 million dollars over the next 5 years.

Farm credit institutions are very important to North Carolina's farmers. H.R. 2029 will give farm credits more flexibility to provide farmers with better service and loan rates. I urge my colleagues to support our Nation's farmers, vote for H.R. 2029.

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Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

Mr. ALLARD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentleman from Colorado [Mr. ALLARD] that the House suspend the rules and pass the bill, H.R. 2029, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ALLARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-149)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 2076, the "Departments of Commerce, Justice, and State, the